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FRIDAY, MAY 10, 1963

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MAY 10 1963




# East Malartic Mines Limited

(NO PERSONAL LIABILITY)



ANNUAL REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 1962



INCLUDING A COPY OF  
THE ANNUAL REPORT OF

## Barnat Mines Ltd.


(No Personal Liability)



Associate Little Long Lac Gold Mines Limited








# E a s t M a l a r t i c M i n e s L i m i t e d

(NO PERSONAL LIABILITY)



ANNUAL REPORT



#### OFFICERS

Robert C. Stanley, Jr.	-	-	-	-	-	<i>President</i>
J. George Boeckh	-	-	-	-	-	<i>Vice-President</i>
Miss B. A. Argo	-	-	-	-	-	<i>Secretary</i>
A. J. Symons	-	-	-	-	-	<i>Comptroller</i>

#### DIRECTORS

J. C. Adamson, P.Eng.	John C. L. Allen
P. K. Hanley	J. George Boeckh
W. C. Cochrane	L. B. Harder

Robert C. Stanley, Jr.

#### GENERAL MANAGER

T. V. Nethery

#### TRANSFER AGENTS

Montreal Trust Company, Toronto and Montreal

#### BANKERS

The Toronto-Dominion Bank

#### AUDITORS

Gunn, Roberts and Co.

#### EXECUTIVE OFFICE

Suite 602, 199 Bay Street, Toronto, Ontario

## East Malartic Mines Limited

(No Personal Liability)



## REPORT OF THE DIRECTORS

To the Shareholders:

Presented herewith is the Twenty-eighth Annual Report and Financial Statements for the fiscal year ended December 31st, 1962, together with the Auditors' Report thereon and the Report of the General Manager.

The revenue from operations for the year amounted to \$4,094,330. The Operating Profit, after providing \$507,830 for deferred development (mostly incurred in previous years) but before depreciation, was \$168,308 compared to \$494,532 in 1961. The sharp reduction in profit was due to a combination of higher operating costs, mainly because of increased development and stope preparation in the new East Ore Zone, and the lower grade of ore treated. The operating profit for 1963 is expected to be appreciably higher due to a substantial reduction in deferred development write-offs.

The tonnage of ore treated — 551,158 for the year or 1,510 tons per calendar day — was the highest in the mine's history. After milling this record tonnage, and because of the continued high rate of development, ore reserves were maintained at a satisfactory level.

The widespread development that is currently in progress in various parts of the mine, particularly at depth and to the east, has resulted in the mine having more potential sources of new ore than at any other time in its history. To aid in planning current and future exploration work, the Company was fortunate in being able to retain the services of Dr. J. E. Gill as geological consultant. The Longitudinal Sectional drawing accompanying this Report illustrates the large-scale underground exploration and development undertakings being carried out at your mine.

During the year, your Company acquired 1,500,000 shares of MARCHANT MINING COMPANY LIMITED, representing fifty percent interest in that company which together with Falconbridge Nickel Mines Limited, on a 50-50 basis, own Marbridge Mines Limited, a new Nickel producer (the first in the Province of Quebec) which has amply demonstrated its earning capacity right from the start of production on June 1st, 1962. Under separate cover, a copy of the Marchant Company's Annual Report will be mailed to all East Malartic shareholders and it will include coverage of the Marbridge operation.

### Barnat Mines Ltd.:

A copy of the Report of Barnat Mines Ltd. is included with this Annual Report. Attention is directed to the Longitudinal Sectional drawing inserted therewith. Your Company's dominant interest in Barnat has been fully maintained.

The Directors wish to record their appreciation to Mr. T. V. Nethery, General Manager, the Staff and all Employees for their loyal, efficient services during the past year.

Respectfully submitted,

On behalf of the Board,

ROBERT C. STANLEY, Jr.,

President.

May 6, 1963.

Norrie, Quebec,  
March 5th, 1963.

## GENERAL MANAGER'S REPORT

The President and Board of Directors,  
East Malartic Mines Limited,  
Suite 602 - 199 Bay Street,  
Toronto, Ontario.

Dear Sirs:

A report reviewing the operations of the Company for the year ended December 31st, 1962, is herewith submitted.

### PRODUCTION:

During 1962 the mill treated an average of 1,510 tons per calendar day for a total of 551,158 tons. This performance for one year is an all-time high in the history of the operation.

The price received per ounce of Gold averaged \$37.47, substantially increased from \$35.51 in the previous year. As in past reports a "Production Record" table with comparative figures has been included.

### DEVELOPMENT:

As planned at the beginning of the year, a heavy development programme was carried out during 1962 and will continue throughout 1963. An accompanying Longitudinal Projection of the mine presents to the reader a picture of the underground workings and future programs.

Both "Exploration and Development" and "Stope Development and Preparation" showed substantial increases over the previous year. The "Exploration and Development" total amounted to 11,286 feet as compared to 7,440 feet in 1961. Total Stope Development (Sub-level drifts and crosscuts, stope raises, etc.) was 14,069 as compared to 12,834 feet in the past year.

Diamond drilling increased by 66 percent from 40,156 feet to 66,857 feet in 1962. Five diamond drills were in operation for most of the year.



**ORE RESERVES AS AT JANUARY 1st, 1963: Gold Valued at \$35.00/oz.**

Positive Ore	TONS	GRADE
Broken .....	4,609	\$ 5.38 (.154 oz.)
Solid in Stoping Blocks ---	1,292,377	5.93 (.169 oz.)
Indicated Ore .....	538,093	5.32 (.152 oz.)
Total Ore Reserves .....	1,835,079	\$ 5.75 (.164 oz.)

**EXPLORATION:**

Following the encouraging development of the East Ore Zone on the 19th (2,935 foot) level in 1961, the 22nd (3,445 foot), 24th (3,805 foot) and 31st (4,845 foot) levels were advanced 1,600 feet eastward to explore the potential of the zone at the horizons. The results of this work are tabulated below:

TABLE 1

Level	Ore Length Feet	Average Thickness Feet	Average Cut Grade Ozs. Per Ton	Average Uncut Grade Ozs. Per Ton
22 (3,445')	1,125	31.5	.162 (\$5.67)	.173 (\$6.05)
24 (3,805')	475	25.0	.154 (\$5.42)	.154 (\$5.42)
31 (4,845')	750	26.0	.188 (\$6.48)	.196 (\$6.86)

Some further drifting to the east is required on all three levels to explore the full potential of the zone. The 27th (4,245 foot) level will also be driven to test for continuity in the wide gap between the 24th and 31st levels.

The narrower ore widths and consequent increase in the dilution factor, together with the lower grade of the indicated ore compared to that of the Main Ore Zone, indicate that the grade of mill feed from the zone will be somewhat lower than that of the Main Ore Zone.

To explore for the upward extension of the schist ore encountered at the east end of the zone on the 19th level, the 13th (2,035 foot) level was rehabilitated and extended some 1,600 feet further east. Limited exploration from this drive has to date indicated marginal

zones of gold mineralization. This level is to be extended a further 2,000 feet to the east in 1963 to explore the untested ground beyond the East Ore Zone.

Exploration of the Main Ore Zone was confined to development of the small ore shoots previously indicated between the 24th (3,805 foot) and 27th (4,245 foot) levels. Some broad zones of gold mineralization were located in the greywacke to the south of the Main Zone. While the indicated grade of these is too low to be considered as ore at present gold prices, further exploration is planned for 1963.

#### **GENERAL:**

The total amount paid by the Company in 1962 for wages and salaries, including Workmen's Compensation, Unemployment Insurance and other employee benefits, amounted to \$2,001,930. Disbursements for operating supplies and power consumed, including expenditures for capital equipment were \$1,312,818.

Capital expenditures of approximately \$95,000 included normal operating replacements and additions such as pumps, motors, ventilating fans and mine cars. In 1963 capital costs will be at a minimum.

It is a pleasure to report on the excellent safety record attained by the employees in the past year. Only five compensable accidents were recorded as compared to nine in 1961 and eleven in 1960.

In conclusion, I wish to express my appreciation to the Officers and Directors for their helpful support and to thank all Department Heads, Supervisory Staff and all Employees for their loyalty and effort.

Respectfully submitted,

T. V. NETHERY, P.Eng.,  
General Manager.



## Production Record

Year	Tons Milled	Tons Milled Per Day	Ore Milled Per Man Shift	Ore Milled Per Ton at \$35.00	Ounces Gold Produced	Actual Mint Returns	Emergency Gold Mining Assistance	Mint Returns Plus Emergency Assistance	Gold Per Oz.	Silver Per Oz.	Operating Cost	Net Profit
1938	44,334	727	—	—	5,568	\$ 195,030	—	\$ 195,030	\$35.29	.418	—	\$ L-6,225
1939	353,615	969	2.70	\$7.23	68,832	2,516,821	—	2,516,821	36.48	.409	\$1,029,136	1,167,992
1940	541,447	1,479	3.77	6.03	88,746	3,424,086	—	3,424,086	38.50	.372	1,318,553	1,568,036
1941	537,828	1,474	3.40	5.05	73,863	2,851,228	—	2,851,228	38.50	.372	1,745,734	599,680
1942	449,016	1,230	3.14	5.72	69,971	2,700,209	—	2,700,209	38.50	.387	1,884,449	273,512
1943	315,088	865	2.73	5.67	48,926	1,888,682	—	1,888,682	38.50	.386	1,507,925	12,136
1944	290,873	797	2.79	4.96	39,288	1,517,203	—	1,517,203	38.50	.386	1,320,352	L-41,356
1945	304,890	835	2.91	4.79	39,851	1,538,500	—	1,538,500	38.50	.392	1,232,709	25,936
1946	307,461	842	2.62	5.21	43,596	1,612,916	—	1,612,916	36.77	.841	1,253,375	164,670
1947	240,438	659	2.28	5.09	33,335	1,172,649	—	1,172,649	35.00	.683	1,056,070	L-28,473
1948	295,693	808	2.78	4.85	38,976	1,371,938	—	1,172,649	35.00	.741	1,306,358	L-46,899
1949	343,568	941	2.97	5.65	53,138	1,935,542	\$163,454	1,535,392	36.28	.747	1,835,220	71,623
1950	431,944	1,183	3.64	5.77	68,095	2,597,499	391,964	2,327,506	38.00	.805	2,130,553	141,778
1951	441,393	1,209	3.81	5.57	67,066	2,478,363	283,793	2,881,292	36.79	.939	2,145,526	270,061
1952	470,462	1,285	3.80	5.97	76,279	2,620,473	424,885	2,903,248	34.20	.827	2,245,887	289,712
1953	488,070	1,337	3.66	5.73	75,999	2,626,947	384,305	3,004,778	34.42	.838	2,299,222	400,540
1954	525,516	1,440	3.83	5.86	83,772	2,864,132	558,904	3,185,851	34.05	.829	2,348,256	531,668
1955	540,910	1,482	3.84	6.32	91,666	3,180,863	569,955	3,434,087	34.55	.880	2,526,396	261,393
1956	542,458	1,482	3.95	6.14	89,253	3,084,739	291,762	3,472,625	34.42	.890	2,585,474	151,503
1957	549,444	1,505	4.13	7.27	108,238	3,651,450	369,497	3,454,236	33.60	.871	2,910,913	380,703
1958	537,602	1,473	4.15	7.40	108,299	3,690,843	291,060	3,942,510	33.94	.864	3,382,635*	259,952
1959	544,137	1,491	4.28	7.47	111,126	3,743,601	386,188	4,077,031	33.57	.876	3,350,966*	467,965
1960	544,939	1,489	4.43	7.38	110,126	3,765,735	251,238	3,994,839	34.05	.888	3,425,352*	437,411
1961	547,877	1,501	4.31	7.15	107,237	3,823,642	167,389	3,933,124	35.51	.945	3,732,094*	379,788
1962	551,158	1,510	4.23	5.82	87,280	3,285,267	402,984	4,226,626	37.44	1.171	3,926,022*	64,369

No Assistance under E.G.M.A. prior to 1948.

\* Includes Deferred Development write-off.

L-Loss.





# Barnat Mines Ltd.

(NO  
PERSONAL  
LIABILITY)



ANNUAL REPORT

## OFFICERS

Robert C. Stanley, Jr.	-	-	-	-	-	-	President
J. George Boeckh	-	-	-	-	-	-	Vice-President
John C. L. Allen	-	-	-	-	Executive	Vice-President	
Miss B. A. Argo	-	-	-	-	-	-	Secretary
A. J. Symons	-	-	-	-	-	-	Comptroller

## DIRECTORS

John C. L. Allen  
S. J. Bird  
J. George Boeckh  
P. K. Hanley  
Robert C. Stanley, Jr.

## TRANSFER AGENTS

Chartered Trust Company  
Toronto and Montreal

## AUDITORS

Gunn, Roberts and Co.  
Toronto, Ont.

## EXECUTIVE OFFICE

602 - 199 Bay Street, Toronto, Ont.





**Barnat  
Mines  
Ltd.**  
(NO  
PERSONAL  
LIABILITY)

## REPORT OF THE DIRECTORS

To the Shareholders:

The year 1962 was one of record accomplishment for Barnat and your Directors are pleased to present the Annual Report and Financial Statements together with the Auditors' Report thereon, and the Report of the General Manager.

Your Company completed its programme of production output expansion during the period under review. A total of 626,878 tons of ore were treated for a new high average of 1,717 tons per calendar day, yielding an Operating Revenue of \$2,895,206. Due to the low operating cost of \$3.44 per ton, the Operating Profit before depreciation was \$739,319 compared to \$438,781 in 1961. The mine operating staff are to be commended for the excellent performance attained.

With efforts being concentrated on output expansion, a relatively small amount of new exploration and development work was carried out in 1962. However, sufficient additions of new ore, both Porphyry and Diorite, were located in various places throughout the mine to maintain ore reserves at a satisfactory level. Now that the operation has been established on a large tonnage, low grade, good profit basis, the next long range objective is a planned search for major additions to the ore reserves. With this in mind, the services of Dr. J. E. Gill were retained as geological consultant. Plans for the year 1963 include:—

- (a) A long exploratory drive on 1,425 foot level to the East Malartic Mines Limited boundary some 3,500 feet east of the main Barnat shaft.
- (b) A programme of surface diamond drilling involving a minimum of 6,000 feet.
- (c) Additional exploration undertakings to be carried out following the completion of extensive geological studies now in an advanced stage of preparation.

With regard to WASAMAC MINES LIMITED, in which your Company holds the dominant interest, serious consideration has been given to re-opening the mine. However, a final decision must await clarification of problems now facing the gold mining industry in Canada — including incentives by governmental action and more settled labour conditions. When a decision has been reached, shareholders will be promptly advised. As previously reported, ore reserves at the Wasamac mine are as follows:—

	<u>Tonnage</u>	<u>Average Grade Oz./ton</u>	<u>Value at \$35.00/oz.</u>	<u>Average Hor. Width</u>
Positive Ore .....	1,067,000	0.159	\$5.56	
Probable Ore .....	1,303,000	0.151	5.28	
Total .....	2,370,000	0.154	5.39	30 ft.

The Directors wish to express their appreciation to Mr. T. V. Nethery, General Manager, the Staff and all Employees for their loyal and efficient services during the year.

Respectfully submitted,

On behalf of the Board,

ROBERT C. STANLEY, Jr.,  
President.

May 6, 1963.



Norrie, Quebec,  
March 1st, 1963.

The President and Board of Directors,  
Barnat Mines Ltd.,  
Suite 602 - 199 Bay Street,  
Toronto, Ontario.

Dear Sirs:

I submit herewith a report on the operations of your Company for the year ended December 31st, 1962.

#### **PRODUCTION:**

A total of 626,878 tons was milled during the year or an average of 1,717.5 tons per day. This total included 383,387 tons shipped to the Malartic Gold Fields mill, and 243,491 treated at the Barnat plant.

During the initial quarter of the year, the mine produced an average of 1,915 tons per day. However, following a revision of overall planning this was reduced to about 1,700 tons. The latter proved to be the more efficient operating point with improved operating costs as a result of a drastic reduction in man hours worked.

The mine operating profit amounted to \$739,319. as compared with \$438,781. in the previous year. Unit operating costs were \$3.44 per ton in 1962 as against \$3.95 per ton in 1961. A "Production Record" table with additional comparative figures is incorporated in this report.

#### **DEVELOPMENT:**

Level development by drifting and crosscutting amounted to 2,221 feet as compared with 2,863 feet in 1961. Schedule for 1963 provides for an appreciable increase over the past year due to the necessity of driving to unexplored areas toward the East Malartic and Canadian Malartic Mines.

Stope development in the porphyry orebody was heavy in 1961. However, it was possible to cut back in sub-level drifting and crosscutting from 6,885 feet to 2,551 feet in 1962 and raising dropped from 4,841 to 2,052 feet. Blast hole drilling footage showed little change with 295,880 feet completed as against 289,227 in the previous year.

Diamond drilling showed a decrease from 46,777 feet in 1961 to 31,599 in 1962. To keep pace with exploration and development there will be a corresponding increase in drilling during 1963.

#### **ORE RESERVES:**

At December 31st, 1962, ore reserves were estimated at 1,812,353 tons having an average grade of 0.117 ounces per ton or \$4.10 at \$35.00 gold.





The above reserve includes 236,478 tons of Diorite ore grading 0.293 ounces per ton or \$10.25 at \$35.00 gold. It is interesting to note that, in the past five years, sufficient amounts of this important type of ore have been found each year to replace the amounts of such ore removed.

### **EXPLORATION:**

Exploration of the upper levels of the mine on the eastward extension of the porphyry zone was successful in tracing two small diorite orebodies between the 525 and 350 foot levels.

Further drilling from the exploration drift on 1,575-foot level located three additional small diorite ore lenses. Two of these, lying to the northwest of the No. 3 Zone, show greater than normal continuity and will require further exploration from the 1,725-foot level.

At the year end, preparation was under way to explore the east end of the property, beyond the eastern limits of the No. 3 Zone, by extending the 1,425-foot level 2,300 feet to the east.

### **GENERAL:**

The total amount paid out by the Company in 1962 for wages and salaries, including Workmen's Compensation, Unemployment Insurance and other employee benefits amounted to \$869,413. Disbursements for operating supplies and power consumed, including expenditures for capital equipment was \$545,581.

Capital expenditures in 1962 amounted to \$32,900 which included mainly the Service section addition to Mill building and a jaw crusher as a replacement. Only very minor capital expenses are anticipated for the coming year. The present mill building and equipment are in excellent condition and operating in a very efficient manner as evidenced by the handling of 667 tons per day for the full year.

The splendid effort by the supervisors and all employees have resulted in an outstanding safety record for 1962. Only two compensable accidents, of a minor nature, were recorded in the entire year as compared with six compensables in 1961 and eleven in 1960. The frequency rate or number of compensable accidents per million man shifts was 4.5 while included in a group of 35 Quebec mines with an overall frequency of 8.0.

In closing, I wish to express my appreciation of the efficient services rendered by Department Heads, Supervisory Staff, and all Employees, and my thanks to the Directors and Officers of the Company for their cooperation and helpful support.

Respectfully submitted,

T. V. NETHERY, P.Eng.,  
General Manager.



**Barnat  
Mines  
Ltd.**

(NO  
PERSONAL  
LIABILITY)

*Incorporated under the laws of the Province of Quebec*

## BALANCE SHEET

### ASSETS

		1961 for Comparison
<b>CURRENT ASSETS</b>		
Cash	\$ 27,937	\$ 168,428
Trust company short term certificates	1,076,000	—
Bullion at net realizable value	210,913	198,034
Bonds at cost	—	106,475
Accounts receivable	1,125	1,940
Receivable from an associated company	—	5,442
Amount receivable under the Emergency Gold Mining Assistance Act	39,934	169,686
Prepaid expenses	26,673	67,615
	<u>\$1,382,582</u>	<u>717,620</u>
SUPPLIES at average cost	53,972	53,549
<b>INTEREST IN ASSOCIATED COMPANIES</b>		
Shares at less than cost (quoted market value 1962 \$430,000; 1961 \$467,000)	433,245	468,245
Advances	14,330	—
	<u>447,575</u>	<u>468,245</u>
<b>INTEREST IN PARTLY OWNED SUBSIDIARY COMPANY (note 1)</b>		
Shares at cost	37,500	37,500
Advances	4,014	3,133
	<u>41,514</u>	<u>40,633</u>
<b>FIXED ASSETS</b>		
Mining properties at cost less sales proceeds	340,251	342,245
Building, machinery and equipment at cost	\$2,507,562	2,588,984
Less accumulated depreciation	1,858,131	(1,860,819)
	<u>989,682</u>	<u>1,070,410</u>
<b>DEFERRED CHARGES</b>		
Operating expenditures deferred	6,470	9,031
	<u>\$2,921,795</u>	<u>\$2,359,488</u>

### AUDITORS' REPORT T

We have examined the balance sheet of Barnat Mines Ltd. (No Personal Liability) as at December 31, 1962 and the statements of income and retained earnings for the year then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

Toronto, Canada.  
February 20, 1963.



DECEMBER 31, 1962

## LIABILITIES

		1961 for Comparison
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities .....	\$ 100,787	\$ 109,121
Mortgage principal payable within one year .....	—	5,817
Payable to associated companies .....	29,234	44,978
Payable to East Malartic Mines Limited — parent company .....	52,898	84,369
Quebec mining tax .....	27,318	15,584
	\$ 210,237	259,869
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock		
Authorized — 5,000,000 shares of \$1 each		
Issued — 3,900,000 shares .....	3,900,000	3,900,000
Less discount on shares .....	3,197,510	3,197,510
	702,490	702,490
Retained earnings .....	2,009,068	1,397,129
	2,711,558	2,099,619

**NOTES:**

1. Consolidated financial statements have not been prepared since the subsidiary company, Macwin Mines Limited, is engaged solely in exploration and its accounts show neither profit nor loss from incorporation to December 31, 1962; all its expenditures have been deferred to future operations.
2. No income taxes are payable on 1962 income as the company intends to claim for income tax purposes depreciation recorded in the accounts in prior years but not then claimed. The tax otherwise payable would have been approximately \$172,000.

Approved on behalf of the Board:

R. C. STANLEY, JR., Director.

J. GEORGE BOECKH, Director.

\$2,921,795	\$2,359,488
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## THE SHAREHOLDERS

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and statements of income and retained earnings are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1962 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

GUNN, ROBERTS AND CO.  
Chartered Accountants.



## Statement of Income

For the year ended December 31, 1962

		1961 for Comparison
OPERATING REVENUE		
Bullion recovery .....	\$2,743,025	\$2,533,622
Assistance under the Emergency Gold Mining Assistance Act .....	152,181	309,433
	<u>2,895,206</u>	<u>2,843,055</u>
OPERATING EXPENSES		
Mine development .....	\$ 103,881	203,401
Mining .....	923,658	1,084,521
Milling .....	625,225	591,381
Ore haulage .....	125,046	119,591
Marketing expenses .....	18,919	19,683
Mine office and supervision .....	85,811	104,874
General expenses at the property .....	189,847	211,262
Administrative and corporate expenses .....	56,021	54,561
Quebec mining tax .....	27,479	15,000
	<u>2,155,887</u>	<u>2,404,274</u>
OPERATING PROFIT before providing for undernoted items .....	739,319	438,781
OTHER DEDUCTIONS		
Depreciation .....	111,000	107,000
Outside exploration .....	—	4,596
Interest on debenture notes and mortgage .....	—	12,640
	<u>111,000</u>	<u>124,236</u>
	628,319	314,545
OTHER INCOME		
Income from investments .....	12,697	11,727
Profit on sale of securities .....	5,923	1,717
	<u>18,620</u>	<u>13,444</u>
NET INCOME for the year (note 2) .....	<u>\$ 646,939</u>	<u>\$ 327,989</u>

## Statement of Retained Earnings

For the year ended December 31, 1962

		1961 for Comparison
Balance January 1 .....	\$1,397,129	\$1,169,140
Add net income for the year .....	646,939	327,989
	<u>2,044,068</u>	<u>1,497,129</u>
Deduct additional appropriation for decline in value of shares in other companies .....	35,000	100,000
Balance December 31 .....	<u>\$2,009,068</u>	<u>\$1,397,129</u>





## Statement of Source and Application of Funds

For the year ended December 31, 1962

		1961 for Comparison
SOURCE		
Net income for the year .....	\$ 646,939	\$ 327,989
Add back depreciation and other non-cash items .....	111,000	165,001
	757,939	492,990
Sale of fixed assets .....	651	4,671
Other items, net .....	4,132	(8,832)
	<u>\$ 762,722</u>	<u>\$ 488,829</u>
APPLICATION		
Purchase of fixed assets .....	32,917	72,363
Investment in associated and subsidiary companies .....	15,211	157,171
Increase in working capital .....	714,594	259,295
	<u>\$ 762,722</u>	<u>\$ 488,829</u>
WORKING CAPITAL (current assets less current liabilities)		
At December 31, 1962 .....	\$1,172,345	
At January 1, 1962 .....	457,751	
Increase during the year .....	<u>\$ 714,594</u>	



## Production Record

Year	Tons Milled	Tons Milled Per Day	Ore Milled Per Man Shift	Ore Milled Per Ton at \$35.00	Ounces Gold Produced	Actual Mint Returns	Emergency Gold Mining Assistance	Mint Returns Plus Emergency Assistance	Gold Per Oz.	Silver Per Oz.	Operating Cost	Net Profit
												*
1948	204,170	559	4.7	\$ 3.13	15,878	\$ 561,801	—	\$ 561,801	\$35.00	\$ .782	—	L-\$124,637
1949	217,304	596	4.7	3.38	18,675	688,765	\$ 54,940	743,705	36.45	.782	\$ 844,019	+ 166,527
1950	214,610	588	4.4	4.22	23,646	902,120	181,025	1,083,145	37.90	.805	885,918	+ 202,856
1951	194,543	534	3.8	5.24	27,258	1,007,241	211,121	1,218,362	36.78	.940	960,682	+ 430,808
1952	205,497	563	3.6	7.08	50,546	1,391,540	235,388	1,626,928	34.19	.836	1,087,592	+ 287,391
1953	213,928	586	3.6	10.06	60,385	2,082,805	204,069	2,286,874	34.43	.838	1,229,406	+ 308,039
1954	216,443	593	3.6	8.94	54,707	1,865,879	292,594	2,158,473	34.05	.829	1,285,153	+ 247,714
1955	212,832	583	3.4	8.31	55,597	1,924,364	88,463	2,012,827	34.55	.882	1,353,689	+ 31,528
1956	203,756	558	3.2	7.68	43,834	1,511,053	320,576	1,831,629	34.41	.893	1,439,057	L- 133,635
1957	186,850	512	2.9	7.88	40,569	1,365,440	333,474	1,698,914	33.59	.873	1,507,547	L- 37,101
1958	215,840	591	3.4	7.32	43,256	1,471,361	429,600	1,900,961	33.95	.863	1,659,899	L- 402,569
1959	224,472	615	3.1	6.26	38,244	1,286,193	343,087	1,629,280	33.56	.883	1,825,364	+ 136,780
1960	445,585	1,217	6.4	5.44	66,086	2,254,924	343,928	2,598,852	34.05	.892	2,263,185	+ 327,989
1961	608,063	1,666	9.5	4.32	71,179	2,533,622	309,433	2,843,055	35.51	.949	2,404,274	+ 646,939
1962	626,878	1,717	11.3	4.30	72,988	2,743,025	152,181	2,895,206	37.47	1.178	2,155,887	

\* Change over Sladen to Barnat as at August 1st, 1948.

L-Loss.



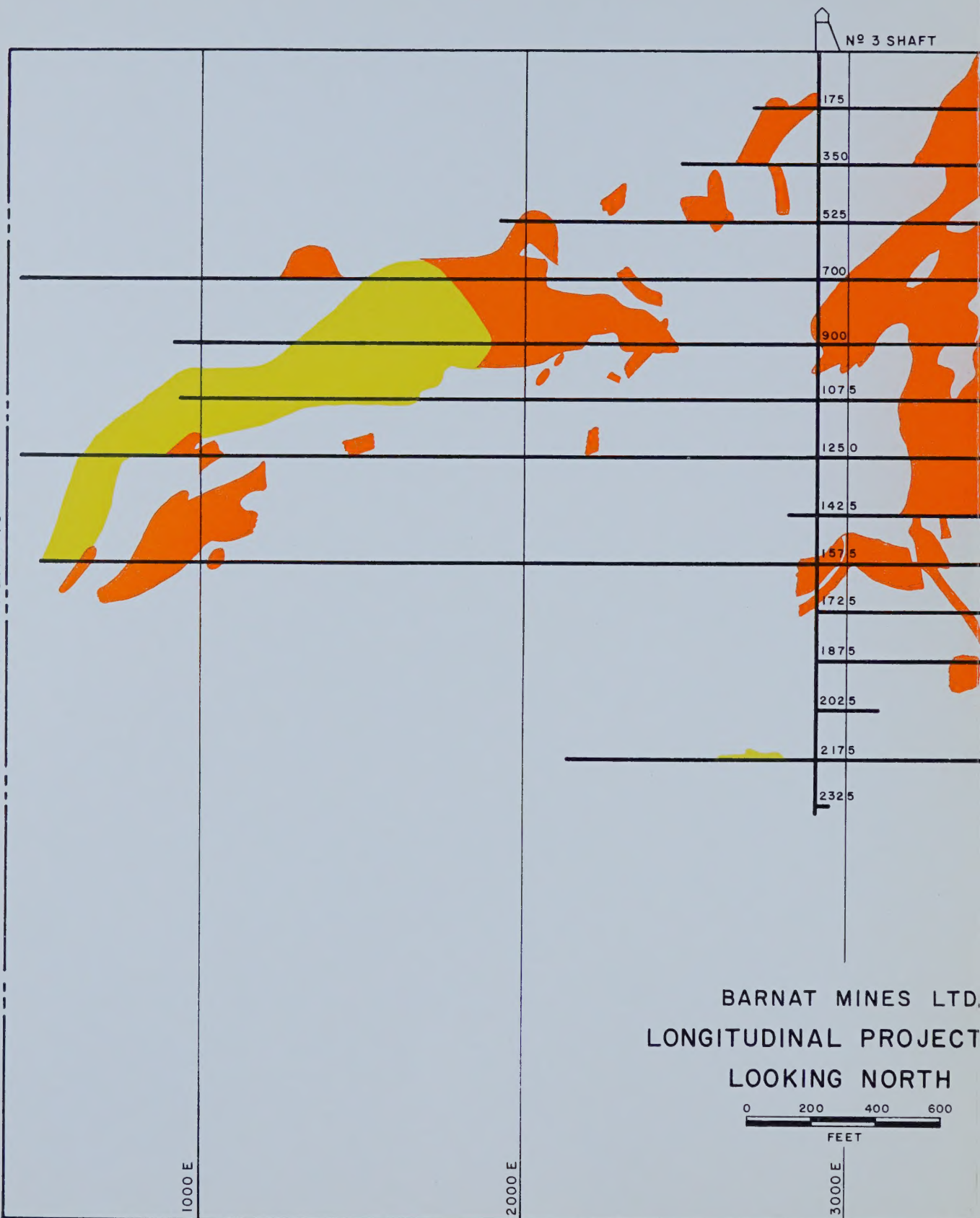








CANADIAN MALARTIC



BARNAT MINES LTD.  
LONGITUDINAL PROJECT  
LOOKING NORTH







